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Kory D. Christensen STOEL RIVES LLP One Utah Center 201 South Main Street, Suite 1100 Salt Lake City, UT 84111			EXAMINER COUSO, JOSE L	
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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No.	Applicant(s)
	10/784,397	REYNOLDS ET AL.
	Examiner	Art Unit
	Jose L. Couso	2624

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) Responsive to communication(s) filed on ____.
- 2a) This action is **FINAL**. 2b) This action is non-final.
- 3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) Claim(s) 1-62 is/are pending in the application.
- 4a) Of the above claim(s) ____ is/are withdrawn from consideration.
- 5) Claim(s) ____ is/are allowed.
- 6) Claim(s) 1-62 is/are rejected.
- 7) Claim(s) ____ is/are objected to.
- 8) Claim(s) ____ are subject to restriction and/or election requirement.

Application Papers

- 9) The specification is objected to by the Examiner.
- 10) The drawing(s) filed on ____ is/are: a) accepted or b) objected to by the Examiner.
 Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
 Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) All b) Some * c) None of:
 1. Certified copies of the priority documents have been received.
 2. Certified copies of the priority documents have been received in Application No. ____.
 3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) Notice of References Cited (PTO-892)
- 2) Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) Information Disclosure Statement(s) (PTO/SB/08)
 Paper No(s)/Mail Date See Continuation Sheet.
- 4) Interview Summary (PTO-413)
 Paper No(s)/Mail Date. ____.
- 5) Notice of Informal Patent Application
- 6) Other: ____.

Continuation of Attachment(s) 3). Information Disclosure Statement(s) (PTO/SB/08), Paper No(s)/Mail Date
5/24/04,10/31/06,12/11/06,4/16/07.

1. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

2. Claims 1-30 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. Claims 1-30 are drawn to non-functional descriptive material. MPEP 2106.IV.B.1(a) (Nonfunctional Descriptive Material) states:

“Descriptive material that cannot exhibit any functional interrelationship with the way in which computing processes are performed does not constitute a statutory process, machine, manufacture or composition of matter and should be rejected under 35 U.S.C. 101.”

“Where certain types of descriptive material, such as music, art, photographs and mere arrangements or compilations of facts or data, are merely stored so as to be read or outputted by a computer without creating any functional interrelationship, either as part of the stored data or as part of the computing process performed by the computer, then such descriptive material alone does not impart functionality either to the data as so structured, or to the computer.”

“For example, music is commonly sold to consumers in the form of a compact disc. In such cases, the known compact disc acts as nothing more than a carrier for nonfunctional descriptive material. The purely nonfunctional descriptive material cannot alone provide the practical application for the manufacture.”

MPEP 2106.IV.B.1 (Nonstatutory Subject Matter) states:

“When nonfunctional descriptive material is recorded on some computer-readable medium, it is not statutory since no requisite functionality is present to satisfy the practical application requirement”.

Claims 1-30 currently recite a computer implemented method. There is no functional relationship imparted by this data to a computing device. Therefore, the claim is drawn to non-functional descriptive material which is non-statutory per se. The fact that the claim recites a computer readable medium does not provide the utility (i.e.,

practical application in the technological arts) required under 35 U.S.C. 101 for the manufacture.

3. Claims 1-30 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. Claims 1-30 are drawn to functional descriptive material NOT claimed as residing on a computer readable medium. MPEP 2106.IV.B.1(a) (Functional Descriptive Material) states:

“Data structures not claimed as embodied in a computer-readable medium are descriptive material per se and are not statutory because they are not capable of causing functional change in the computer.”

“Such claimed data structures do not define any structural or functional interrelationships between the data structure and other claimed aspects of the invention which permit the data structure’s functionality to be realized.”

Claims 1-30, while defining a computer implemented method, do not define a “computer-readable medium” and is thus non-statutory for that reasons. A computer implemented method can range from paper on which the program is written, to a program simply contemplated and memorized by a person. The examiner suggests amending the claim to embody the program on “computer-readable medium encoded with a computer program” in order to make the claim statutory.

“In contrast, a claimed computer-readable medium encoded with the data structure defines structural and functional interrelationships between the data structure and the computer software and hardware components which permit the data structure’s functionality to be realized, and is thus statutory.” - MPEP 2106.IV.B.1(a)

4. Claim 62 is rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter as follows:

Claim 62 defines a "signal" with functional descriptive material. While functional descriptive material may be claimed as a statutory product (i.e., a "manufacture") when embodied on a tangible computer readable medium, a "signal" per se does not fall within any of the four statutory classes of 35 U.S.C. §101. A "signal" is not a process because it is not a series of steps per se. Furthermore, a "signal" is not a "machine", "composition of matter" or a "manufacture" because these statutory classes "relate to structural entities and can be grouped as 'product' claims in order to contrast them with process claims." (1 D. Chisum, Patents § 1.02 (1994)). Machines, manufactures and compositions of matter are embodied by physical structures or material, whereas a "signal" has neither a physical structure nor a tangible material. That is, a "signal" is not a "machine" because it has no physical structure, and does not perform any useful, concrete and tangible result. Likewise, a "signal" is not a "composition of matter" because it is not "matter", but rather a form of energy. Finally, a "signal" is not a "manufacture" because all traditional definitions of a "manufacture" have required some form of physical structure, which a claimed signal does not have.

A "manufacture" is defined as "the production of articles for use from raw materials or prepared materials by giving to these materials new forms, qualities, properties, or combinations, whether by hand-labor or by machinery." Diamond v. Chakrabarty, 447 U.S. 303, 308, 206 USPQ 193, 196-97 (1980) (quoting American Fruit Growers, Inc. v. Brogdex Co., 283 U.S. 1, 11, 8 USPQ 131, 133 (1931)).

Therefore, a "signal" is considered non-statutory because it is a form of energy, in the absence of any physical structure or tangible material, that does not fall within any of the four statutory classes of 35 U.S.C. §101.

NOTE: Refer to Annex IV, section (c) of the USPTO "Interim Guidelines for Examination of Patent Applications for Patent Subject Matter Eligibility", Official Gazette notice of 22 November 2005 (currently at <http://www.uspto.gov/web/offices/com/sol/og/2005/week47/patgupa.htm>).

5. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

6. Claims 1-62 are rejected under 35 U.S.C. 102(b) as being anticipated by Yogeshwar et al. (U.S. Patent No. 5,684,714).

With regard to claim 1, Yogeshwar describes compressing a segment of an input signal using an initial quality setting (see figure 4, element 150 and refer for example to column 13, lines 53-56); calculating a data rate for an output signal that would result from adding the compressed segment to the output signal (refer for example to column 22, line 47 through column 23, line 8); and in response to the calculated data rate exceeding a target rate, recompressing the segment using an automatically-selected quality setting that produces a lower data rate than the calculated data rate when the

recompressed segment is added to the output signal (see figure 5, element 182 and refer for example to column 14, lines 61-64 and column 24, lines 3-6).

As to claim 2, Yogeshwar describes in response to the calculated data rate being lower than the target rate, recompressing the segment using an automatically-selected quality setting that produces a higher data rate than the calculated data rate when the recompressed segment is added to the output signal (refer for example to column 23, lines 9-65).

In regard to claim 3, Yogeshwar describes wherein the automatically-selected quality setting comprises a quality quantizer (see figure 12, element 282 and refer for example to column 23, lines 29-45).

With regard to claim 4, Yogeshwar describes wherein the automatically-selected quality setting comprises at least one of a frame size and a frame rate (refer for example to column 22, line 47 through column 23, line 28).

As to claim 5, Yogeshwar describes wherein the segment comprises a sub-frame (refer for example to column 22, line 47 through column 23, line 28).

In regard to claim 6, Yogeshwar describes wherein the initial quality setting comprises an automatically-selected quality setting for a previous segment (refer for example to column 21, lines 58-67).

With regard to claim 7, Yogeshwar describes wherein automatically selecting comprises selecting a quality setting that is a function of the difference between the calculated data rate and the target rate (refer for example to column 22, line 60 through column 23, line 8).

As to claim 8, Yogeshwar describes wherein automatically selecting comprises selecting a next numerically higher or lower quality setting depending on whether the calculated data rate is higher or lower than the target rate (refer for example to column 23, line 47 through column 24, line 2).

In regard to claim 9, Yogeshwar describes wherein automatically selecting comprises using an artificial intelligence (AI) system to select the quality setting based on one or more characteristics of the segment (refer for example to column 13, lines 16-47).

With regard to claim 10, Yogeshwar describes for each of a plurality of segments of an input signal compressing a segment using an initial quality setting (see figure 4, element 150 and refer for example to column 13, lines 53-56); calculating a data rate for an output signal that would result from adding the compressed segment to the output signal (refer for example to column 22, line 47 through column 23, line 8); and in response to the calculated data rate deviating from a target range automatically selecting a quality setting that results in a calculated data rate within the target range when a segment compressed using the automatically-selected quality setting is added to the output signal (refer for example to column 23, line 9 through column 24, line 2); and recompressing the segment using the automatically-selected quality setting (see figure 5, element 182 and refer for example to column 14, lines 61-64 and column 24, lines 3-6).

As to claim 11, Yogeshwar describes wherein the automatically-selected quality setting comprises at least one of a quality quantizer, a frame size, and a frame rate (refer for example to column 22, line 47 through column 23, line 28).

In regard to claim 12, Yogeshwar describes wherein automatically selecting comprises selecting a quality setting that is a function of the distance between the calculated data rate and the target range (refer for example to column 22, line 60 through column 23, line 8).

With regard to claim 13, Yogeshwar describes wherein automatically selecting comprises selecting a next numerically higher or lower quality setting depending on whether the calculated data rate is higher or lower than the target range (refer for example to column 23, line 47 through column 24, line 2).

As to claim 14, Yogeshwar describes wherein automatically selecting comprises using an artificial intelligence (AI) system to select the quality setting based on one or more characteristics of the segment (refer for example to column 13, lines 16-47).

In regard to claim 15, Yogeshwar describes obtaining an input signal comprising a plurality of segments (see figure 1A, element 60 for example); automatically selecting different quality settings to respectively compress at least two of the segments, wherein the quality settings for each segment are automatically selected to maintain within a target range a data rate of an output signal to which the compressed segments are to be added (refer for example to column 22, line 47 through column 23, line 8); compressing the segments using the automatically selected quality settings (see figure 4, element 150 and refer for example to column 13, lines 53-56); and adding the

compressed segments to the output data signal (see figure 5, element 182 and refer for example to column 14, lines 61-64 and column 24, lines 3-6).

With regard to claim 16, Yogeshwar describes wherein an automatically-selected quality setting comprises at least one of a quality quantizer, a frame size, and a frame rate (refer for example to column 22, line 47 through column 23, line 28).

As to claim 17, Yogeshwar describes wherein automatically selecting comprises testing a plurality of different automatically-selected quality settings for compressing a segment and selecting one of the tested quality settings that is to produce a data rate within the target range when the segment is compressed using the selected setting and added to the output signal (refer for example to column 21, lines 40-67).

In regard to claim 18, Yogeshwar describes wherein automatically selecting comprises testing, for an established time period, a plurality of different automatically-selected quality settings for compressing a segment and selecting the tested quality setting that produces the closest data rate to the target range in response to the established time period expiring (refer for example to column 21, lines 40-67).

As to claim 19, Yogeshwar describes wherein each successive automatically-selected quality setting to be tested is a function of the distance between the target range and a calculated data rate for a previous automatically-selected quality setting (refer for example to column 22, line 60 through column 23, line 8).

With regard to claim 20, Yogeshwar describes wherein automatically selecting comprises using an artificial intelligence (AI) system to select the quality setting based

on one or more characteristics of the segment (refer for example to column 13, lines 16-47).

As to claim 21, Yogeshwar describes wherein the AI system is selected from the group consisting of a neural network and an expert system (refer for example to column 13, lines 16-47).

In regard to claim 22, Yogeshwar describes wherein the one or more characteristics are selected from the group consisting of motion characteristics and color characteristics (see for example figure 5).

With regard to claim 23, Yogeshwar describes adjusting the target range in response to constraints of a destination system for receiving the output signal (see figure 1A and refer for example to column 10, lines 24-48).

As to claim 24, Yogeshwar describes further comprising adjusting the target range in response to conditions of a transmission channel to a destination system for receiving the output signal (see figure 1A and refer for example to column 10, lines 24-48).

In regard to claim 25, Yogeshwar describes compressing a segment using an initial quality setting (see figure 4, element 150 and refer for example to column 13, lines 53-56); calculating a data rate for an output signal that would result from adding the compressed segment to the output signal (refer for example to column 22, line 47 through column 23, line 8); while the calculated data rate deviates from a target range, automatically selecting a different quality setting that results in a new calculated data rate that is closer to the target range (refer for example to column 23, line 9 through

column 24, line 2); and in response to an automatically-selected quality setting resulting in a data rate that is within the target range, compressing the segment using the automatically-selected quality setting (see figure 5, element 182 and refer for example to column 14, lines 61-64 and column 24, lines 3-6).

With regard to claim 26, Yogeshwar describes wherein the automatically-selected quality setting comprises at least one of a quality quantizer, a frame size, and a frame rate (refer for example to column 22, line 47 through column 23, line 28).

As to claim 27, Yogeshwar describes wherein automatically selecting comprises using an artificial intelligence (AI) system to select the quality setting based on one or more characteristics of the segment (refer for example to column 13, lines 16-47).

In regard to claim 28, Yogeshwar describes wherein the AI system is selected from the group consisting of a neural network and an expert system (refer for example to column 13, lines 16-47).

With regard to claim 29, Yogeshwar describes wherein each successive automatically-selected quality setting is a function of the distance between the target range and a calculated data rate for a previous automatically-selected quality setting (refer for example to column 22, line 60 through column 23, line 8).

As to claim 30, Yogeshwar describes further comprising adjusting the target range in response to one of constraints of a destination system for receiving the output signal and conditions of a transmission channel to the destination system (see figure 1A and refer for example to column 10, lines 24-48).

In regard to claim 31, Yogeshwar describes an input module to receive an input signal comprising a plurality of segments (see figure 1A, element 60 for example); a compression module to compress a segment using an initial quality setting (see figure 4, element 150 and refer for example to column 13, lines 53-56); a rate calculation module to calculate a data rate for an output signal that would result from adding the compressed segment to the output signal (see figure 3, element 30 and refer for example to column 22, line 47 through column 23, line 8); wherein the compression module, in response to the calculated data rate exceeding a target rate, is to recompress the segment using an automatically-selected quality setting that produces a lower data rate than the calculated data rate when the recompressed segment is added to the output signal (see figure 5, element 182 and refer for example to column 14, lines 61-64 and column 24, lines 3-6).

With regard to claim 32, Yogeshwar describes wherein the compression module, in response to the calculated data rate being lower than the target rate, is to recompress the segment using an automatically-selected quality setting that produces a higher data rate than the calculated data rate when the recompressed segment is added to the output signal (refer for example to column 23, lines 9-65).

As to claim 33, Yogeshwar describes wherein the automatically-selected quality setting comprises a quality quantizer (see figure 12, element 282 and refer for example to column 23, lines 29-45).

In regard to claim 34, Yogeshwar describes wherein the automatically-selected quality setting comprises at least one of a frame size and a frame rate (refer for example to column 22, line 47 through column 23, line 28).

With regard to claim 35, Yogeshwar describes wherein the segment comprises a sub-frame (refer for example to column 22, line 47 through column 23, line 28).

As to claim 36, Yogeshwar describes wherein the initial quality setting comprises an automatically-selected quality setting for a previous segment (refer for example to column 21, lines 58-67).

In regard to claim 37, Yogeshwar describes a selection module to automatically select a quality setting that is a function of the difference between the calculated data rate and the target rate (refer for example to column 22, line 60 through column 23, line 8).

With regard to claim 38, Yogeshwar describes a selection module to automatically select a next numerically higher or lower quality setting depending on whether the calculated data rate is higher or lower than the target rate (refer for example to column 23, line 47 through column 24, line 2).

As to claim 39, Yogeshwar describes further comprising a selection module that is to use an artificial intelligence (AI) system to automatically select the quality setting based on one or more characteristics of the segment (refer for example to column 13, lines 16-47).

In regard to claim 40, Yogeshwar describes a compression module to compress each of a plurality of segments of an input signal using an initial quality setting (see

figure 4, element 150 and refer for example to column 13, lines 53-56); a rate calculation module to calculate, for each compressed segment, a data rate for an output signal that would result from adding a compressed segment to the output signal (see figure 3, element 30 and refer for example to column 22, line 47 through column 23, line 8); and a selection module to automatically select, in response to the calculated data rate deviating from a target range, a quality setting for each segment that results in a data rate this is within the target range when a segment compressed using the automatically-selected quality setting is added to the output signal (see figure 3, element 30 and refer for example to column 22, line 47 through column 23, line 8).

With regard to claim 41, Yogeshwar describes wherein the automatically-selected quality setting comprises at least one of a quality quantizer, a frame size, and a frame rate (refer for example to column 22, line 47 through column 23, line 28).

As to claim 42, Yogeshwar describes wherein the selection module is to automatically select a quality setting that is a function of the difference between the calculated data rate for a segment and the target range (refer for example to column 22, line 60 through column 23, line 8).

In regard to claim 43, Yogeshwar describes wherein the selection module is to automatically select next numerically higher or lower quality setting depending on whether the calculated data rate for a segment is higher or lower than the target range (refer for example to column 22, line 60 through column 23, line 8).

With regard to claim 44, Yogeshwar describes wherein the selection module is to use an artificial intelligence (AI) system to automatically select the quality setting

based on one or more characteristics of each segment (refer for example to column 13, lines 16-47).

As to claim 45, Yogeshwar describes an input module to obtain an input signal comprising a plurality of segments (see figure 1A, element 60 for example); a selection module to automatically select different quality settings to respective compress at least two of the segments, wherein the quality settings for each segment are automatically selected to maintain within a target range a data rate of an output signal to which the compressed segments are to be added (see figure 3, element 30 and refer for example to column 22, line 47 through column 23, line 8); a compression module to compress the segments using the automatically selected quality settings (see figure 3, element 50, figure 4, element 150 and refer for example to column 13, lines 53-56); and an output module to add the compressed segments to the output data signal (see figure 3, element 30 and refer for example to column 22, line 47 through column 23, line 8).

In regard to claim 46, Yogeshwar describes wherein an automatically-selected quality setting comprises at least one of a quality quantizer, a frame size, and a frame rate (refer for example to column 22, line 47 through column 23, line 28).

With regard to claim 47, Yogeshwar describes wherein the selection module is to test a plurality of different automatically-selected quality settings for compressing a segment and select one of the tested quality settings that is to produce a data rate within the target range when the segment is compressed using the selected setting and added to the output signal (refer for example to column 21, lines 40-67).

As to claim 48, Yogeshwar describes wherein the selection module is to test, for an established time period, a plurality of different automatically-selected quality settings for compressing a segment and select the tested quality setting that produces the closest data rate to the target range in response to the established time period expiring (refer for example to column 21, lines 40-67).

In regard to claim 49, Yogeshwar describes wherein each successive automatically-selected quality setting to be tested is a function of the difference between a target range and a calculated data rate for a previous automatically-selected quality setting (refer for example to column 22, line 60 through column 23, line 8).

With regard to claim 50, Yogeshwar describes wherein the selection module is to use an artificial intelligence (AI) system to automatically select the quality setting based on one or more characteristics of the segment (refer for example to column 13, lines 16-47).

As to claim 51, Yogeshwar describes wherein the AI system is selected from the group consisting of a neural network and an expert system (refer for example to column 13, lines 16-47).

In regard to claim 52, Yogeshwar describes wherein the one or more characteristics are selected from the group consisting of motion characteristics and color characteristics (see for example figure 5).

With regard to claim 53, Yogeshwar describes wherein the selection module is to adjust the target range in response to constraints of a destination system for

receiving the output signal (see figure 1A and refer for example to column 10, lines 24-48).

As to claim 54, Yogeshwar describes wherein the selection module is to adjust the target range in response to conditions of a transmission channel to a destination system for receiving the output signal (see figure 1A and refer for example to column 10, lines 24-48).

In regard to claim 55, Yogeshwar describes a compression module to compress a segment using an initial quality setting (see figure 4, element 150 and refer for example to column 13, lines 53-56); a rate calculation module to calculate a data rate for an output signal that would result from adding the compressed segment to the output signal (see figure 3, element 30 and refer for example to column 22, line 47 through column 23, line 8); a selection module to automatically select, while the calculated data rate deviates from a target range, a different quality setting that results in a new calculated data rate that is closer to the target range (see figure 3, element 30 and refer for example to column 22, line 47 through column 23, line 8); wherein the compression module, in response to an automatically-selected quality setting resulting in a data rate that is within the target range, is to compress the segment using the automatically-selected quality setting (see figure 3, element 50, figure 4, element 150 and refer for example to column 13, lines 53-56).

With regard to claim 56, Yogeshwar describes wherein the automatically-selected quality setting comprises at least one of a quality quantizer, a frame size, and a frame rate (refer for example to column 22, line 47 through column 23, line 28).

As to claim 57, Yogeshwar describes wherein the selection module is to use an artificial intelligence (AI) system to automatically select the quality setting based on one or more characteristics of the segment (refer for example to column 13, lines 16-47).

In regard to claim 58, Yogeshwar describes wherein the AI system is selected from the group consisting of a neural network and an expert system (refer for example to column 13, lines 16-47).

With regard to claim 59, Yogeshwar describes wherein the selection module is to choose each successive automatically-selected quality setting based on a function of the distance between the target range and a calculated data rate for a previous automatically-selected quality setting (refer for example to column 22, line 60 through column 23, line 8).

As to claim 60, Yogeshwar describes wherein the selection module is to adjust the target range in response to one of constraints of a destination system for receiving the output signal and conditions of a transmission channel to the destination system (see figure 1A and refer for example to column 10, lines 24-48).

In regard to claim 61, Yogeshwar describes a computer-readable medium having stored therein program instructions for obtaining an input signal comprising a plurality of segments (see figure 3, element 30, figure 4, element 60 and refer for example to column 10, lines 49-52); program instructions for automatically selecting different quality settings to respectively compress at least two of the segments, wherein the quality settings for each segment are automatically selected to maintain within a target range a data rate of an output signal to which the compressed segments are to

be added (see figure 3, element 30, figure 4, element 150 and refer for example to column 12, lines 51-62 refer for example to column 22, line 47 through column 23, line 8); program instructions for compressing the segments using the automatically selected quality settings (see figure 3, element 30, figure 4, element 150 and refer for example to column 12, lines 51-62 and column 13, lines 53-56); and program instructions for adding the compressed segments to the output data signal (see figure 3, element 30, figure 4, element 182 and refer for example to column 14, lines 61-64).

With regard to claim 62, Yogeshwar describes a code segment for causing a computer to obtain an input signal comprising a plurality of segments (see figure 3, element 30, figure 4, element 60 and refer for example to column 10, lines 49-52); a code segment for causing a computer to automatically select different quality settings to respectively compress at least two of the segments, wherein the quality settings for each segment are automatically selected to maintain within a target range a data rate of an output signal to which the compressed segments are to be added (see figure 3, element 30, figure 4, element 150 and refer for example to column 12, lines 51-62 refer for example to column 22, line 47 through column 23, line 8); a code segment for causing a computer to compress the segments using the automatically selected quality settings (see figure 3, element 30, figure 4, element 150 and refer for example to column 12, lines 51-62 and column 13, lines 53-56); and a code segment for causing a computer to add the compressed segments to the output data signal (see figure 3, element 30, figure 4, element 182 and refer for example to column 14, lines 61-64).

7. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

Normile et al. ('659), ('030) and (465), Honsinger et al. ('302) and ('668), Jones et al., Watanabe et al. and Iizuka et al. all disclose systems similar to applicant's claimed invention.

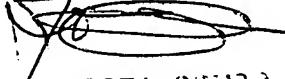
8. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Jose L. Couso whose telephone number is (571) 272-7388. The examiner can normally be reached on Monday through Friday from 6:30 to 3:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Matthew Bella, can be reached on (571) 272-7778. The fax phone number for the organization where this application or proceeding is assigned is (571) 273-8300.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the USPTO Contact Center whose telephone number is (703) 308-4357.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

Jlc
June 7, 2007



JOSÉ L. COUSO
PRIMARY EXAMINER